FINAL HOUSING ELEMENT

For Review By:

Planning Commission

and

City Council

CITY OF AZUSA

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INTRODUCTION

In 1981, Article 10.6 of California's Planning and Zoning Law, commonly referred to as the Roos Bill, redefined what must be included in a local housing element. In 1985 Azusa's Housing Element was updated to satisfy the legislative requirements of Article 10.6. The Roos Bill requires periodic updating and Azusa's Housing Element must again be updated in 1989. Pursuant to State law, the Azusa Housing Element must include four items:

- An Assessment of housing needs, including housing stock condition, population and employment projections, locality's share of regional housing need, household characteristics, ability-to-pay, and other related characteristics including special needs households.
- An inventory of resources and constraints, both governmental and nongovernmental, such as land supply, zoning, public services and facilities, local processing and permit procedures, housing costs, and other related factors.
- A statement of the community's goals, quantified objectives and policies relative to the maintenance, improvement and development of housing.
- An implementation program which sets forth a five-year schedule of actions which the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate Federal and State financing and subsidy programs when available.

These requirements are met by the 1989 updated Housing Element of the General Plan.

EXECUTIVE SUMMARY

The City of Azusa Housing Element includes the following:

- An Assessment of housing needs.
- An inventory of resources and constraints.
- A statement of goals, policies and objectives.
- A five-year housing implementation program.

Housing Needs

Four subjects are discussed in the housing needs assessment:

- Housing Stock Condition
- Existing Housing Needs for All Income Levels
- Projected Housing Needs for All Income Levels
- Energy Conservation in New Development

Most of the housing supply in Azusa is in sound condition; however, about 56% is considered to be in need of some improvement: general improvements, minor repairs, or major repairs. The majority of the latter housing units are in need of general improvements. Data collected through a housing condition survey in 1985 were used for purposes of establishing potential target areas for the rehabilitation grant and loan programs. Since that time an estimated 100 housing units have been rehabilitated.

Rental housing assistance needs are experienced by an estimated 2,419 households in the very low and low income categories. The City has in the past addressed this need through its participation in the Section 8 housing assistance payment program and by encouraging new affordable housing developments. There also are moderate income renters who are in need of some assistance if they are to become homeowners in the near future.

With respect to projected housing needs, the Southern California Association of Governments (SCAG) has forecasted a need for 1,535 housing units to be constructed over the next five years (1989-1994). These needs encompass all income ranges and both owners and renters. The City of Azusa can accommodate this need on vacant and underdeveloped properties suitable for residential development under present physical constraints and the guidelines of the Land Use Element and Zoning Ordinance.

There are several energy conservation techniques available for new housing development. These methods are described in the text. Under appropriate circumstances, the methods can be included as "mitigation measures" in environmental impact reports prepared for residential projects. The City of Azusa enforces Article 24 of the California Administrative Code which pertains to energy conservation requirements.

Analysis of Constraints and Resources

Three considerations fall within the meaning of constraints and resources:

- Governmental Constraints
- Nongovernmental Constraints
- Inventory of Land Suitable for Residential Development

A complete evaluation was completed of the factors under the influence of the City which impact housing variety and housing costs. For the most part, the City's land use and zoning policies as well as fee structure, processing, and permit procedures do not impose impediments to new housing developments. In addition, the voters of the community have approved the development of low-rent senior citizen housing. One constraint that was identified in the previous element related to the imposition of a two-car garage when persons apply for a rehabilitation loan. This has been mitigated by the implementation of a minor deviation process, which allows homeowners to maintain a one car garage. Other constraints include policy directives imposed by the State and Federal governments such as those pertaining to air quality and a jobs/housing balance.

There is sufficient land in the City to address the housing needs projected by SCAG. To fully meet the needs during the next five years, it will be necessary to designate additional land residential uses for future housing development.

Goals, Objectives, Policies

The City supports and endorses the five goals incorporated in the present State law, as follows:

- Conserve and improve the condition of the existing affordable housing stock.
- Assist in the development of adequate housing to meet the needs of low- and moderate-income households.
- Identify adequate housing sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income groups.
- Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color.

Based on past performance levels and future needs, the City has established the following quantitative objectives:

- To conserve affordable housing available through the existing rental housing supply and mobile home dwellings.
- To achieve the rehabilitation of 100 housing units during the time frame of mid-1989 through mid-1994.
- To meet the rental housing assistance in existing housing units of 20 lower income households during the next five years.
- To meet the owner housing assistance needs of first time buyers of moderate income in 100 newly constructed housing units.
- To achieve the production of 80 new rental housing units within the financial means of low- and moderate-income households.

Housing Program

Actions included in the housing program address five specific areas, as listed below:

- Conserving the existing stock of affordable housing.
- Assisting in the development of affordable housing.
- Providing adequate sites to achieve a variety and diversity of housing.
- Removing governmental constraints as necessary.
- Promoting equal housing opportunity.

Current and future actions which are aimed at addressing the condition of the existing housing stock include the following:

1. Housing Condition Information System
2. Rental Housing Inspection
3. Real Property Records Ordinance
4. Clean-Up/Fix-Up Grants
5. East San Gabriel Handyman Program
6. Expanded Rehabilitation Program
7. Replacement Housing Program
8. Condominium Conversion Ordinance
9. Assisted Housing Development

With respect to assisting low- and moderate-income housing developments, the following actions are included:

- State Revenue Bond Program
- Low/Moderate Income Housing Fund
- Accelerated Development Processing/Fee Waiver

In connection with the provision of adequate housing, the City will continue implementation of the following:

- Land Use Element
- Zoning Code
- Mobile Homes – SB 1960
- Granny Flat Ordinance

To achieve equal housing opportunity, the City reaffirms the policies contained in the 1981 Housing Element and will continue to examine the possibility of some form of housing referral service in the community.

II.
HOUSING NEEDS ASSESSMENT

INTRODUCTION AND BACKGROUND

This section of the Housing Element contains the housing needs assessment for Azusa. The assessment of housing needs includes the following:

- Analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. Such existing and projected needs shall include the locality's share of the regional housing need in accordance with Section 65583 (a)(1).

- Analysis and documentation of household characteristics including level of payment compared to ability-to-pay, housing characteristics, including overcrowding, and housing stock condition (Section 65583 (a)(2)).

- Analysis of any special housing needs, such as those of the handicapped, elderly, large families, farm workers, and families with female heads of households (Section 65583 (a)(6)).

- Analysis of opportunities for energy conservation with respect to residential development (Section 65583 (a)(7)).

Based on the above, the needs assessment is described in the following terms:

- Housing Stock Condition
- Existing Housing Needs for All Income Levels
- Projected Housing Needs for All Income Levels
- Energy Conservation in New Development

HOUSING STOCK CONDITION

Introduction

This section of the housing needs assessment describes the condition of the existing housing supply. The analysis of housing condition and related improvement needs is specifically required by the present requirements of housing elements (i.e., Section 65583 (a)(2) as mentioned earlier).

Housing Stock Condition

Six years ago early 1984, a field survey was conducted of existing housing in Azusa. The condition of housing was placed into one of five categories:

1. Sound
2. General Improvements
3. Minor Repairs
4. Major Repairs
5. Beyond Repair

Results of the field survey were then grouped and tabulated according to 21 neighborhoods in the City, as defined by the 1980 U.S. Census Neighborhood Statistics Program. Table 1 indicates the condition of housing for each neighborhood area. The boundaries of the neighborhoods, which are shown in Exhibit 1, were those delineated as part of the Neighborhood Statistics Program.

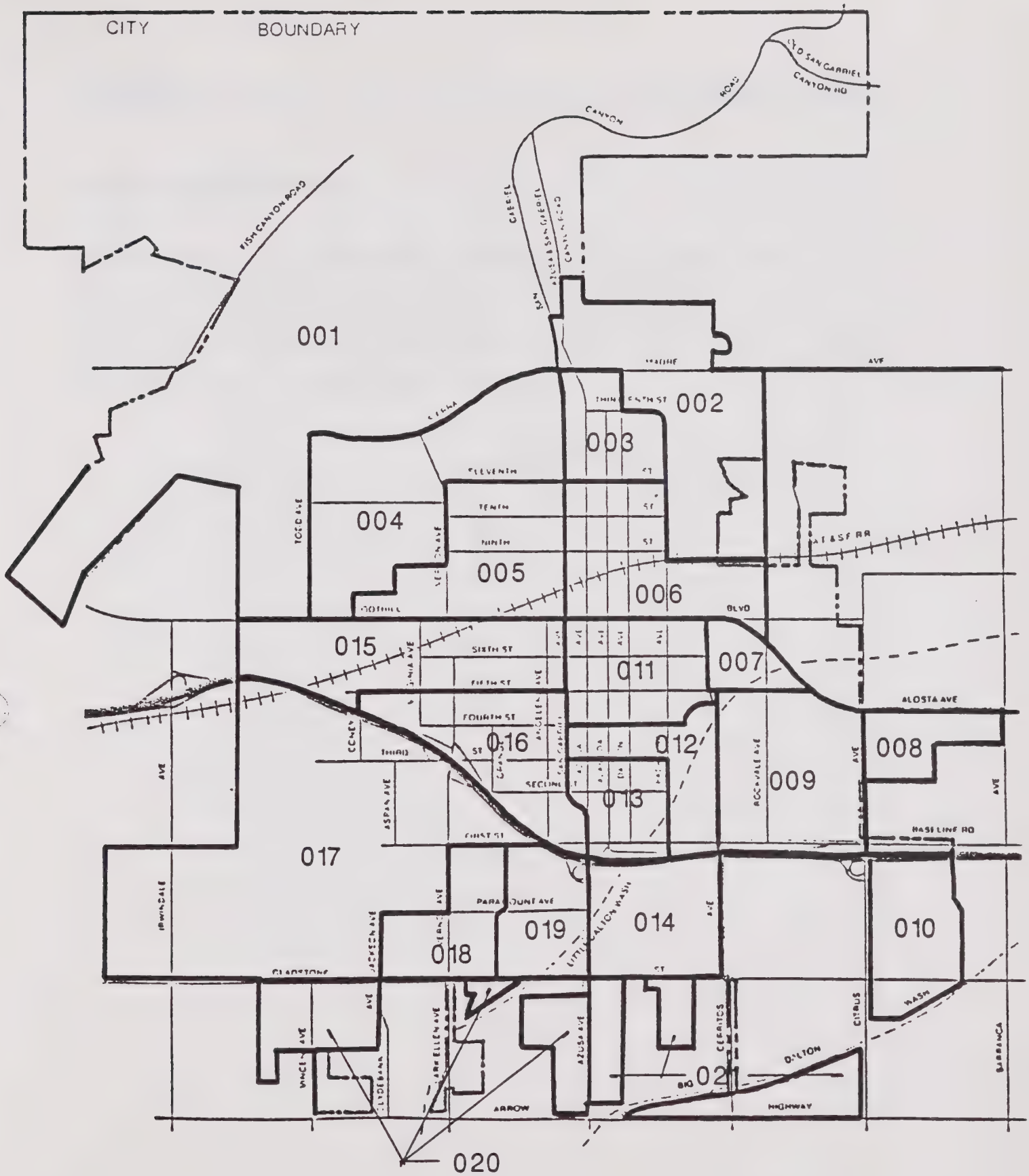
Almost one-half of the housing supply, 44%, was in sound condition. Only .3% of the stock was beyond repair. Housing in need of minor and major repairs requires attention by way of maintenance and/or rehabilitation. A sizable number of housing units were in need only of general improvements, however. Since the survey was completed about 100 housing units have been rehabilitated. Consequently, the general housing conditions are now about the same as they were six years ago.

TABLE 1
CITY OF AZUSA: CONDITION OF THE HOUSING STOCK — 1984

Quality	0		1		2		3		4		
Neighborhood	No.	%	No.	%	No.	%	No.	%	No.	%	Total
001											
002	98	57.6	70	41.2	1	0.6	0	0.0	1	0.6	170
003	119	68.4	48	27.6	7	4.0	0	0.0	0	0.0	174
004	61	84.7	9	12.5	2	2.8	0	0.0	0	0.0	72
005	177	42.7	170	41.0	52	12.5	13	1.3	3	0.7	415
006	231	42.2	223	40.8	52	9.5	39	7.1	2	0.4	547
007	45	8.2	504	91.8	0	0.0	0	0.0	0	0.0	549
008	377	73.9	133	26.1	0	0.0	0	0.0	0	0.0	510
009	196	23.4	630	75.3	11	1.3	0	0.0	0	0.0	837
010	175	46.7	196	52.3	3	0.98	0	0.0	1	0.2	375
011	215	46.6	200	43.4	24	5.2	19	4.1	3	0.7	461
012	167	46.7	127	35.5	43	12.0	18	5.0	3	0.8	358
013	89	30.2	112	38.0	43	14.6	39	13.2	12	4.0	295
014	356	60.1	186	31.4	50	8.5	0	0.0	0	0.0	592
015	130	34.5	163	43.2	61	16.2	2	5.8	1	0.3	377
016	245	49.6	227	46.0	20	4.0	2	0.4	0	0.0	494
017	112	29.8	222	59.0	38	10.1	4	1.1	0	0.0	376
018	136	40.1	183	54.0	20	5.9	0	0.0	0	0.0	339
019	132	55.5	102	43.3	3	1.2	0	0.0	0	0.0	238
020	260	96.6	9	3.4	0	0.0	0	0.0	0	0.0	269
021	207	37.2	317	57.0	32	5.8	0	0.0	0	0.0	556
Total:	**3,528**	**44.1**	**3,932**	**47.9**	**462**	**5.8**	**156**	**1.9**	**26**	**0.3**	**8,004**

0 = sound; 1 = general improvements; 2 = minor repairs; 3 = major reparis; 4 = beyond repair.
No housing units surveyed in Neighborhood 001.

Source: Housing Condition Survey, January and February 1984, conducted by Castañeda & Associates.



Neighborhood Boundaries
CITY OF AZUSA HOUSING ELEMENT

NORTH 0 .5 miles

Housing Improvement Needs

Housing in need of minor repairs usually can be improved through regular maintenance and does not require extensive costs. Dwellings in this condition can be improved by some form of grant program. The dwellings which are in need of major repairs should be rehabilitated in order to assure decent, safe and sanitary shelter. The neighborhoods having the greatest housing improvement needs include the following:

	Number of Units	
Neighborhood	Major Repairs	Minor Repairs
• 015	61	22
• 006	52	39
• 005	52	13
• 014	50	0
• 013	43	39
• 012	43	18
• 017	38	4

Following a review of demographic and housing condition survey data, seven target areas were selected on the basis of the following indicators:

1. Percent lower income (all neighborhoods were ranked highest to lowest in terms of this indicator)
2. Percent very low income households
3. Percent low income households
4. Number of units in need of general improvement
5. Number of units in need of minor repair
6. Number of units in need of major repair
7. Number of households overcrowded
8. Percent owners
9. Percent renters

The indicators were used to establish the following as the potential target areas for neighborhood improvement policies and actions:

- Neighborhood #21 — grants and loans
- Neighborhood #13 — grants and loans
- Neighborhoods #8 and #7 — grants
- Neighborhood #11 — grants and loans
- Neighborhoods #6 and #5 — grants and loans

EXISTING HOUSING NEEDS FOR ALL INCOME LEVELS

Introduction

This section of the needs assessment deals with the housing needs of the households who now live in Azusa. The housing needs of resident households are presented in two ways:

- Housing assistance needs
- Special housing needs

Housing Assistance Needs

Housing assistance needs exist when housing costs exceed the levels affordable to all of Azusa's income groups. When this happens, there is a need to bridge the gap between the cost of housing and ability-to-pay through some means of financial assistance. Azusa's assessment of housing assistance needs includes the following:

> ...a quantification of the locality's existing and projected housing needs for all income levels. (emphasis added, Section 65583 (a)(1)).
>
> Analysis and documentation of household characteristics, including level of payment compared to ability to pay... (Section 65583 (a)(2)).

Income data for 1980 also can be used to group the owner and renter households into the more general income categories listed immediately below:

- Very low
- Low
- Moderate
- Above Moderate
- Upper

Data from the 1980 Census contains information on the owner-renter distribution for the five income groups listed above. In the very low- and low-income categories, there are a larger number of renters than owners. However, owner households predominate in the moderate, above moderate- and upper-income groups.

Overpaying Estimates

Housing costs in absolute ($) and relative (%) terms also vary for owner and renter households. The median housing costs for owners with a mortgage was $301 in 1980 while the median gross rent at that time was $274. However, almost 43% of the owners had monthly housing costs of less than $200. Only 19% of the renters had housing costs in that <$200 bracket. About an equal percentage (37%) of both owners and renters had housing costs in the $300+ range. These statistics point out that in 1980 the cost of housing was nearly the same for both owners and renters.

Monthly housing costs expressed as a percentage of income are the most direct measure of level of payment compared to ability-to-pay. Table 2 contains 1980 "overpaying" estimates for owner and renter households. In 1980, there were 1,696 households spending between 25% and 34% of their income on housing costs — 43% were owners and 57% were renters.

TABLE 2
CITY OF AZUSA: MONTHLY HOUSING COSTS AS A PERCENTAGE OF INCOME BY TENURE — 1980

Costs as % of Income	Owner Households		Renter Households		All Households	
	Number	Percent	Number	Percent	Number	Percent
Less Than 20%	3,366	64.6%	1,598	33.1%	4,964	49.5%
20%-24%	500	9.6	700	14.5	1,200	12.0
25%-34%	735	14.1	961	19.9	1,696	16.9
35% or more	609	11.7	1,569	32.5	2,178	21.6
Totals	**5,210**	**100.0**	**4,828**	**100.0**	**10,038**	**100.0**

Source: SCAG Census Data Center, Report RO304 — Rent, Owner Costs and Tenure by Race, Hispanic Origin.

Table construction by Castañeda & Associates.

In addition, there were 2,178 households spending more than 35% of their income on housing costs — 28% were owners and 72% were renters. Since the number of owners exceeds the number of renters in Azusa, the overpaying rate is, in fact, much higher among renter households.

Overpaying does vary depending on income. Table 3 indicates the number, tenure, and percent of households paying 25% or more of their monthly income on housing costs. The 25%+ criterion, frequently is used as the point at which level of payment exceeds ability-to-pay when 1980 Census data are used. Based on this standard, the "low-income renter household" has the highest incidence and rate of overpaying. About 39% of all the households in Azusa were spending 25% or more on housing costs in 1980.

TABLE 3
CITY OF AZUSA: HOUSEHOLDS PAYING 25%+ ON MONTHLY HOUSING COSTS BY INCOME GROUP AND TENURE — 1980

Annual Income	Owner Households		Renter Households		All Households	
	Number	Percent	Number	Percent	Number	Percent
Very Low	288	21.4%	992	39.2%	1,280	33.0%
Low	318	23.7	1,179	46.6	1,497	38.7
Moderate	353	26.3	306	12.1	659	17.0
Above Moderate	160	11.9	45	1.8	205	5.3
Upper	225	16.7	8	.3	233	6.0
Totals	**1,344**	**100.0**	**2,530**	**100.0**	**3,874**	**100.0**

Source: SCAG Census Data Center, Report RO304 — Rent, Owner Costs and Tenure by Race, Hispanic Origin.

Table construction and interpolations by Castañeda & Associates.

Rental housing assistance needs pertain to the "very low" and "low" income populations. The estimate which is based on the 25% criterion, results in a need estimate of 1,280 very low and 1,497 low income renter households. With respect to owner housing assistance needs, there are presently no programs which serve to reduce the mortgage and property tax payments of existing homeowners. Although these owner households may well confront pressing financial dilemmas, particularly elderly homeowners with declining earnings/ income and diminished physical capabilities for maintenance and repairs, it is impractical to initiate widespread owner assistance programs with local resources only.

SCAG Updated Overpayment Estimates

Azusa's housing assistance needs, based on the extent of overpaying, were updated as part of SCAG's 1988 Regional Housing Needs Assessment (RHNA). Table 4 indicates the 1989 estimate of overpayment is 2,419 lower income households. About 35% of the City's total need is experienced by renter households, according to the RHNA estimates.

TABLE 4
CITY OF AZUSA: LOWER INCOME HOUSEHOLDS PAYING MORE THAN 30% OF INCOME FOR SHELTER (OVERPAYMENT)

	Very Low Income	Low Income	Total
Owners	250	1,327	1,577
Renters	127	715	842
	377	**2,042**	**2,419**

Source: Southern California Association of Governments, Regional Housing Needs Assessment, June 1988.

Special Housing Needs

Under present law, a housing element must include an analysis of special housing needs. These needs refer to households having atypical characteristics — the handicapped, elderly, large families, farm workers, families with female heads of households and homeless persons and families. The needs of four of these household types (excepting farm workers) are also considered by the City's Housing Assistance Plan. Besides these groups, an analysis of overcrowding also must be included in the needs assessment. Overcrowded households fall within the intent of the special housing needs analysis.

Seven household types are included within the scope of the special housing needs analysis:

1. Handicapped
2. Elderly
3. Large Families
4. Overcrowded Households
5. Female Headed Households
6. Farm Workers
7. Homeless Persons and Families

Handicapped Households

With respect to handicapped households, the 1980 Census contains data on persons with work-related disabilities and those with public transit disabilities. The listing below provides a summary of the data on handicapped indicators:

With Work Disability		
• In the Labor Force	(692 persons)	1,814
• Not in the Labor Force	(1,122 persons)	
% prevented from working	77%	
% not prevented	23%	
With Public Transportation Disability		
• 16-64 years	406 persons	870
• 65+	464 persons	

It is assumed that in 1980 persons with work related disabilities represented about 600 households (3± persons per household). Since the 1980 Census, there has been a 28% increase in households. The application of the rate of increase yields a 1989 estimate of 768 households with work disabilities. The income and tenure distribution of handicapped persons or households was not determined by the 1980 Census.

Elderly Households

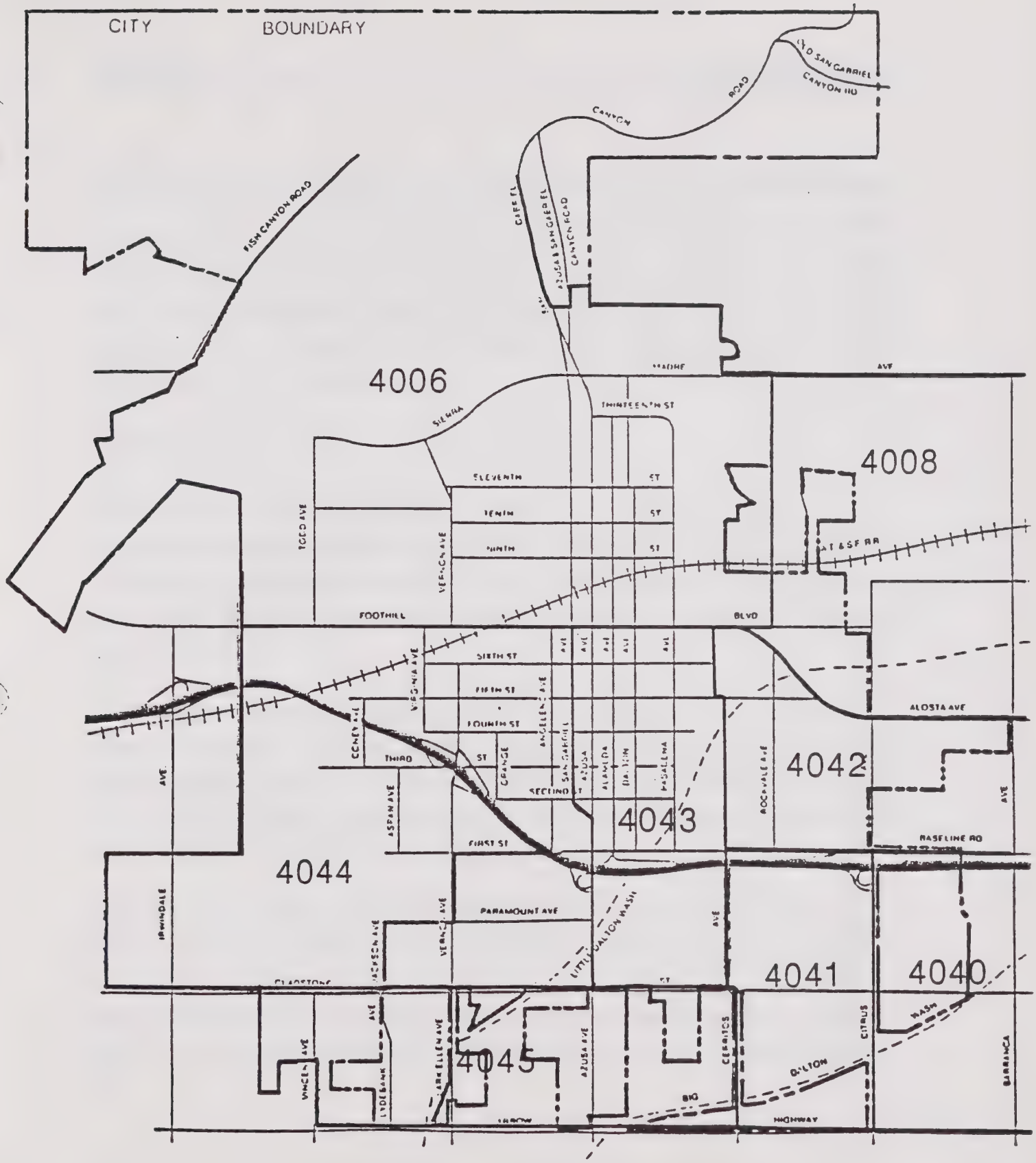
Many senior citizens have fixed incomes and experience financial difficulty in coping with rising housing costs. The capacity for coping with escalating housing costs depends heavily on tenure; this is, the owner or renter status of the elderly households. With infrequent and small increases in income and potentially large gains in housing costs, the senior renter is at a continuing affordability disadvantage compared to the senior owner. Based on 1980 Census data, the City is estimated to have a large percentage of households with a senior head. The needs of the renter and owner elderly households with lower incomes already are included in SCAG's "existing needs" analysis. There are insufficient resources available from the Federal Section 8 program to meet the needs of all renter households. It may be possible that some lower and moderate income households of senior age could benefit from programs such as shared housing.

Population age data for Azusa are available as of 1980. In 1980, about 15.4% (N=2,261) of the City's population was aged 65 years or above. Results of the 1980 Census show that 16% (N=2,345) of the City's population was between 55 and 64 years old. Table 5 shows the number of males and females in various age groups. In total, there are 890 males compared to 1,371 females in the 65+ age bracket. Generally, females outlive males in the senior age categories; this demographic fact is verified by the statistics contained in Table 5. For instance, in the 55+ years age group there are 84, 74, 50 and 54 males to every 100 females, respectively. In the younger age cohorts, the number of males and females are nearly the same. Consequently, a sizable proportion of all households in need are elderly households and many of these are likely to be female heads of household.

TABLE 5
CITY OF AZUSA: POPULATION DISTRIBUTION
BY AGE AND SEX — 1980

	Male Persons		Female Persons		
Age	**Number**	**Percent**	**Number**	**Percent**	**Male-to-Female Ratio**
Under 5	1,424	9.9%	1,435	9.6%	.99
5-14	2,269	15.7	2,290	15.3	.99
15-17	748	5.2	735	4.9	1.02
18-24	2,469	17.1	2,508	16.7	.98
25-34	2,723	18.9	2,576	17.2	1.06
35-44	1,482	10.3	1,426	9.5	1.04
45-54	1,310	9.1	1,379	9.2	.95
55-64	1,072	7.5	1,273	8.5	.84
65-74	625	4.5	847	5.6	.74
75-84	216	1.5	434	2.9	.50
85+	45	.3	90	.6	.54
Totals:	**14,387**	**100.0%**	**14,993**	**100.0%**	**.96**

Source: SCAG Census Data Center, Report R056 — Population Characteristics.
Table construction by Castaneda & Associates.



Census Tract Boundaries
CITY OF AZUSA HOUSING ELEMENT

NORTH 0 .5 miles

In 1980 there were nearly 10,000 households residing in Azusa. About 25% of these households had one or more elderly members. The number of households with elderly members was 2,464 in 1980. The complete data on households with elderly members are contained in Table 6. On a census tract basis, the percent of households with elderly members ranged from a low of 8.3% (#4041) to a high of 70.0% (#4008). The current estimate of elderly households is 3,200, assuming that senior citizens constitute the same percentage of all households in 1989 as they did in 1980.

Large Families

Because of their size, these large-family households may experience a greater incidence of overcrowding. To the extent that such circumstances have their origin in financial limitations, the real cause is not household size but rather the means to purchase enough space. Even with adequate financial means, the housing supply may fall short of accommodating all large families.

According to the Housing Element Guidelines (1977), the term "large family" refers to a family of five or more persons. When the 1980 Census was completed, there were an estimated 1,640 households with five or more persons. About 16.5% of all households residing in Azusa in 1980 were large families. There is now (1989) an estimated 2,100 large-family households based on the City's household growth between 1980-1989.

In Table 7 the tenure distribution of large families is indicated by census tract. This population segment has a somewhat higher propensity for homeownership than the general population. About 62% of all large families are owners. This means, of course, that the majority of large families residing in Azusa do not experience rental housing assistance needs. The large-family renter housing needs are located predominately in Census Tracts #4043, 4044, and 4006.

TABLE 6
CITY OF AZUSA: HOUSEHOLDS WITH ELDERLY MEMBERS
BY CENSUS TRACT — 1980

Census Tract	Households With Elderly Members	Total Households	Percent Of Elderly Members
4006	659	2,766	23.8
4008	238	340	70.0
4040	75	451	16.6
4041	10	121	8.3
4042	202	1,552	13.7
4043	441	1,759	25.1
4044	495	2,002	24.7
4045	334	1,013	33.0
Totals:	**2,464**	**10,004**	**24.6**

Source: SCAG Census Data Center, Report R030 — Household Summary: Households with Elderly Populations.

Table construction by Castañeda & Associates.

TABLE 7
CITY OF AZUSA:TENURE DISTRIBUTION OF LARGE FAMILIES
BY CENSUS TRACT — 1980

Census Tract	Number of Large Families	Owner Households	Percentage Distribution	Renter Households	Percentage Distribution
4006	333	196	58.9%	137	41.1%
4008	4	3	75.0	1	25.0
4040	138	114	82.6	24	17.4
4041	5	0	0.0	5	100.0
4042	191	109	57.0	82	43.0
4043	439	249	56.9	190	43.3
4044	448	288	64.3	160	35.7
4045	91	57	62.6	34	37.4
Totals:	**1,649**	**1,016**	**61.6%**	**633**	**38.4%**

Source: SCAG Census Data Center, Report R039 — Housing Summary: Persons Per Unit for Renter-Occupied Units and Report R040 — Housing Summary: Persons Per Unit for Owner-Occupied Units.

Table Construction by Castañeda & Associates.

Overcrowded Households

Overcrowding is one result of the shortage of space. The most often-used indicator of overcrowding relates the number of rooms and persons in a housing unit. In fact, the overcrowding indicator cited by the Housing Element Guidelines (1977) is "...the number of housing units with 1.01 or more persons per room." It is noteworthy that an "overcrowded" housing unit with fewer persons becomes "uncrowded." Overcrowding reflects the financial inability of households to buy or rent housing units having enough space for their needs. Consequently, overcrowding is more appropriately considered a household characteristic (instead of a housing condition) and falls within the meaning of special housing needs much as large families are so considered.

In 1980, data were collected on the number of persons per room. In 1980, Azusa had 1,202 housing units occupied by households having 1.01 or more persons per room or 12% of all households. Of Azusa's overcrowded households, 40% (N=475) were owners and 60% were renters (N=727). In terms of severity, about 43% of all overcrowded households had 1.51 or more persons per room. Based on the City's household growth rate in the past nine years, there is currently an estimated 1,500 overcrowded households.

Female Heads of Household

As of the 1980 Census date, the City of Azusa had 2,510 households with a female head comprising 25% of all households. About 49% of these households were one-person households living alone. The number of female heads of households has probably increased to 3,200 based on the household growth rate between 1980-1989. The financial assistance needs of lower income owner and renter households headed by females already are considered in SCAG's "existing needs" analysis.

Farm Workers

Farm worker housing assistance needs were estimated by SCAG. According to information developed for the 1983-84 Regional Housing Allocation Model, there were 80 farm worker households residing in Azusa. Of these households, some 90%, or 72, were eligible for housing assistance. Thus, farm worker households comprised about 2% of the entire housing assistance needs in the City.

Homeless

Planning Requirements

There are many social, economic and physical conditions which have combined to increase the homeless population throughout the State of California. In September 1984, the Governor signed Assembly Bill 2579, adding "families and persons in need of emergency shelter" to the special needs groups to be considered in each jurisdiction's housing element. According to the Technical Assistance report prepared by the State Department of Housing and Community Development, a needs assessment includes:

1. An estimate or count of the daily average number of persons and families in the locality lacking permanent shelter.

2. A count of the number and type of shelter beds, hotel/motel vouchers, and units of transitional housing currently available in the locality.

3. An estimate derived from the figures described above of the number of additional shelter beds, shelters, and transitional housing units needed by type of need.

Site identification became a requirement, effective January 1, 1988, or the next periodic update of the housing element pursuant to Government Code Section 65588, whichever is later. Housing element law requires an "identification of adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate the development of emergency shelters and transitional housing" (Government Code Section 65583 (c)(1)).

According to the D/HCD, localities should use the Uniform Housing Code (UHC) Space and Occupancy Standards, which apply to shelters. These standards specify, for example, that sleeping accommodations for 2 persons require a minimum of 70 square feet of space and an additional 50 square feet of space for each additional person.

Any of the following could meet the adequate sites requirement for a need of no more than 10 to 20 persons: apartments, mobilehomes, recreational vehicles with hook-ups, units in a single-room occupancy structure (SRO), a large single-family unit, church facilities, commercial, or other multi-use facilities.

For a need greater than 20 persons, one or more of the following strategies would satisfy the site requirements; a program to help increase the capacity of existing shelters; identification of suitable structures such as warehouses, schools, or hotels that could be used as, or converted to, shelters; identification of specific sites which have the potential for shelter or transitional housing development during the planning period of the housing element (e.g., sites identified in a shelter ordinance); or establish a shelter-transitional housing zone or zones.

Local Conditions

According to the City Police Department, there is rarely more than one request for shelter a night. There are two motels in the City that accept vouchers and an estimated three to five vouchers are issued per week. No churches in town have shelter programs. The Police Department has vouchers sufficient to meet the average request of one per night.

PROJECTED HOUSING NEEDS FOR ALL INCOME LEVELS

Introduction

Projected housing needs refer to new housing units that need to be constructed in the City over the next five years (1989-1994). The State planning law calls for an analysis of population and employment trends as well as the locality's share of regional housing needs. An analysis of these factors results in a quantification of the locality's projected housing needs.

Population and Employment Trends

During the past nine years the City's population has increased by almost 9,000 persons. Population growth trends are indicated below:

TABLE 8
CITY OF AZUSA: POPULATION TRENDS -- 1980-1989

Year	Total Population	Annual Population Increase
1980	29,380	
1981	30,535	1,155
1982	31,039	504
1983	31,660	621
1984	33,232	1,572
1985	34,836	1,604
1986	36,204	1,368
1987	36,771	567
1988	37,473	702
1989	38,227	754
		8,847

Source: State Department of Finance, Annual Housing and Population Estimates, 1980-89.
Table construction by Castañeda & Associates.

Share of Regional Housing Needs

Under Section 65584 (a), SCAG is responsible for determining projected housing needs for all income levels. The projected housing needs must take into consideration the following:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites
- Availability of public facilities
- Commuting patterns
- Type and tenure of housing needs
- Housing needs of farm workers

Projected housing needs as prepared by SCAG concern the additional amount of housing which is needed for purposes of accommodating household growth, achieving a vacancy rate and level which allows choice and mobility, and building new housing to replace dwellings lost from the inventory. The projected needs for Azusa during the next five years (1989-1994) are shown below:

• Household Growth	1,101 housing units
• Additional Vacancies	126 housing units
• Replacement of Inventory	308 housing units
	1,535 housing units

SCAG's projection of housing need on an annual basis is 307 housing units during the 1989 to 1994 period. Projected housing needs by income level also have been determined by SCAG. The income-specific projected needs are listed below:

TABLE 9
CITY OF AZUSA: FUTURE HOUSING NEEDS -- 1989 - 1994

Income Group	Number	Percent
• Very Low	291	19.0
• Low	356	23.2
• Moderate	320	20.8
• High	568	37.0
	1,535	**100.0**

Source: Southern California Association of Governments, Revised Regional Housing Needs Assessment, December 1988 (Advisory Figures).

ENERGY CONSERVATION IN NEW DEVELOPMENT

Under current law, Azusa's Housing Element must include the following:

> Analysis of opportunities for energy conservation with respect to residential development. (Section 65583 (a)(7)).

An analysis of opportunities for energy conservation with respect to residential development is required by Section 65583 (a)(7) of the Government Code. According to the D/HCD:

> "The purpose of this analysis is to show that the locality has to consider how energy conservation might be achieved in residential development and how energy conservation requirements may contribute to the affordability of units.
>
> Following are examples of local policies, plans, and development standards that have been successful in reducing energy costs or consumption:
>
> — promotion of compact, higher density, and infill development;
>
> — the active, constructive enforcement by local building officials of existing state residential energy conservation standards;
>
> — standards for street widths, landscaping of streets and parking lots to reduce heat loss or provide shade; and
>
> — standards for energy efficient retrofits to be met prior to resale of homes."

The State Office of Planning and Research (OPR) has offered the following advice on this code requirement:

- Opportunities in the design and construction of individual units.
- Opportunities in the design of subdivisions.
- Assessment of the effect of energy conservation measures on the cost of housing in the long run.
- Proximity of proposed residential development to employment centers, schools and other services and availability of transit services.

In 1974 the Legislature created the California Energy Commission to deal with the issue of energy conservation. The Commission in 1977 adopted conservation standards for new buildings. The Legislature directed the Commission to periodically improve the standards to account for state-of-the-art energy efficient building design. The Commission has recently adopted revised energy standards for new residential buildings. The revised energy conservation standards for new residential buildings were placed in Title 24 of the California Administrative Code . The new standards apply to all new residential buildings (and additions to residential buildings) except hotels, motels, and buildings with four or more habitable stories and hotels. The regulations specify energy saving design for walls, ceilings and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards and the use of non-depleting energy sources, such as solar energy or wind power. The City implements Title 24 of the CAC.

Energy conservation is one method available to individuals to reduce housing costs. The use of energy-efficient appliances, active and passive solar heating and cooking, and compliance with state energy conservation standards are all affective means of reducing costs and conserving valuable resources.

The City's best opportunity for energy savings is in conditions placed on new development. Orientation of the buildings on the lots, energy-efficient appliances, solar packages, low-water-use plumbing, and use of draught-tolerant plants can provde substantial savings over the long term. These savings must be weighted against the initial increase in costs so that the sales or rental price is not increased unduly.

Potential state-of-the-art energy conservation opportunities are evaluated within the context of environmental impact reports and/or site plan review. Feasible site planning and/or building design energy conservation opportunities then are incorporated into the project design. An evaluation of the potential for energy conservation could be incorporated into the permit and processing procedures of the City as discussed in the later section of governmental constraints.

SUMMARY OF HOUSING NEEDS ASSESSMENT

Most of the housing stock in Azusa is in sound condition. However, about 6.2% of the entire housing stock is estimated to be in need of minor or major repair. Another .5% of the housing supply should be replaced since the condition is beyond repair.

Rental housing assistance needs are experienced by an estimated 2,419 households in the very low and low income categories. Some of these needs already are being addressed by the housing assistance programs operated in the City. In addition to ability-to-pay. Instead of rental housing assistance, these households are prime candidates for first time homeownership if satisfactory housing at affordable costs is available. Homeowners, especially those in the very low and low income brackets, also have monthly housing costs exceeding 25% or even 35% of income. In the absence of State or Federally-financed owner housing assistance to reduce mortgage and property tax payments, the City offers rehabilitation programs to maintain housing quality without causing undue cost burdens.

In terms of projected needs, SCAG has forecasted a need for 1,535 new housing units over the next five years. Most of this need is for owner-occupied housing; however, the projected need for very low and low income ownership housing is extremely difficult to meet. There are rental housing programs available to address the new housing needs for very low and low income renter households.

There are a number of energy conservation techniques available for new housing developments. Some of these techniques, when appropriate, may be incorporated as mitigation measures to mitigate adverse impacts identified in environmental impact reports. Still other techniques can be identified during the site plan review/project approval process which incorporates planning and engineering concerns. The City enforces Title 24 of the California Administrative Code which pertains to the conservation of energy.

III.
RESOURCES AND CONSTRAINTS

INTRODUCTION AND BACKGROUND

This section of the Housing Element provides an inventory of constraints and resources relevant to addressing Azusa's needs. This inventory, according to State law, must include the following:

- Analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes, and their enforcement, site improvements, fees and other exactions required for developers, and local processing and permit procedures.
- Analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and cost of construction.
- An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

In addition to the foregoing, the 1989 Housing Element update includes an analysis of the rent and price distribution of housing in the City. The prices and rents of existing and new housing do interact to create the opportunity (or its absence) of all economic segments to find housing within their financial capability.

Three considerations, then, are included in this section of the Housing Element, as listed below:

- Analysis of Governmental Constraints
- Analysis of Nongovernmental Constraints (including prices and rents in the existing and new housing supply)
- Inventory of Land Suitable for Residential Development

ANALYSIS OF GOVERNMENTAL CONSTRAINTS

Introduction

Local housing elements, pursuant to Article 10.6, must analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels. The categories of constraints required in the analysis are as follows:

- Land Use Controls
- Site Improvements
- Fees
- Local Processing and Permit Procedures
- Building Codes

The State law does not assume that these are constraints in all communities. It calls for analysis of these regulatory factors to identify if any of them do act as constraints to the maintenance, improvement, or development of housing.

Factors Affecting the Range and Diversity of Housing Types

The Land Use Element of the General Plan establishes the principal residential land use categories to be encouraged in the community. The Zoning Code establishes regulations affecting the uses, density, and size of housing permitted in different sectors of the City.

Land Use Element

Four general residential land use categories are identified in the Land Use Element, as follows:

- Rural Residential (0-2 du/ac.)
- Low Density (0-6 du/ac.)
- Medium Density (0-15 du/ac.)
- High Density (0-28 du/ac.)

About one-half of the land in the City (incorporated) is designated to these four residential land use categories, as indicated below:

• Rural Residential	2.6%	132 acres
• Low Density	32.9%	1,679 acres
• Medium Density	8.7%	443 acres
• High Density	6.7%	341 acres

Development in accordance with the Land Use Element yields (at ultimate build-out) a total housing stock of 15,873 dwellings. This figure includes 3,027 dwelling units currently existing in the incorporated Sphere-of-Influence area.

Zoning Code

Residential land uses are allowed in the following zoning designations within the City. These zoning designations include the following:

- R-1, Single-Family Residential
- R-1-H, Residential Hillside Area
- R-A, Residential Agriculture
- R-2, Two-Family Residential
- R-3, Multiple-Family Residential
- P, Residential and Off-Street Parking
- CBD, Central Business District (residential permitted in conjunction with commercial development)

Table 10 summarizes the development standards of each of these zones. The permitted housing densities range from one unit for every 1,200 square feet to nearly half-acre lots of 20,000 square feet. The minimum dwelling unit sizes range from a low of 500 square feet for a studio unit in the multi-family zones to 1,800 square feet in the single-family and rural zones. Thus, the zoning regulations of the City span a very wide range of potential housing types and styles and reasonable development standards for the housing types permitted.

TABLE 10
CITY OF AZUSA: DEVELOPMENT STANDARDS OF RESIDENTIAL ZONES — 1989

Zoning District	Minimum Lot Size	Minimum Dwelling Unit Size
R-A	20,000 sq. ft.	1,800 sq. ft.
R-1-H	20,000 sq. ft. 10,000 sq. ft.	1,800 sq. ft. 1,800 sq. ft.
R-1-A	10,000 sq. ft.	1,800 sq. ft.
R-1-B	7,500 sq. ft.	1,300 sq. ft.
R-1-C	6,000 sq. ft.	1,000 sq. ft.
R-2	6,000 sq. ft. (2 dwellings per lot)	1st unit - 1,000 sq. ft. 2nd unit - 850 sq. ft. Duplex - 850 sq. ft. each
R-3-A	6,000 sq. ft. (1 du/3,000 sq. ft.)	Studio - 500 sq. ft. 1 bd. - 675 sq. ft. 2 bd - 850 sq. ft. 3 bd - 975 sq. ft.
R-3-B	6,000 sq. ft. (1 du/2,000 sq. ft.)	same as R3-A
R-3-C	6,000 sq. ft. (1 du/1,600 sq. ft.)	same as R3-A
R-3-O (Overlay)	6,000 sq. ft. (1 du/1,600 sq. ft. 3 units max.	same as R3-A
P	same as R3-A	
CBD	Conditional use permit for residential use in conjunction with commercial development.	

Source: City of Azusa, Zoning Code — 1989

The predominant potential constraints on housing costs relate to land and construction costs. The City's major development standards, including minimum lot size (land) and minimum floor area requirements (construction) do not pose onerous constraints to the possible production of affordable housing. The allowed densities and dwelling unit sizes in the R-3-A, R-3-B and R-3-C residential zones are especially conducive to the production of affordable housing. For information purposes, the parking, open space and setback standards are summarized below:

TABLE 10A

Residential Zone	Parking Standards	Open Space	Setbacks
R-A	2 car garage	None	25' front & rear
R-1-H	"	"	5' side
R-1-A	"	"	"
R-1-B	"	"	"
R-1-C	"	"	"
R-2	"	"	"
R-3-A	1 space/bdrm	400sq. ft./unit	15' front, rear
R-3-B	"	"	5' side per story
R-3-C	"	"	"

Factors Affecting Housing Costs

Governmental factors directly or indirectly affecting housing costs include the following:

- Site Improvements
- Fees
- Processing and Permit Procedures
- Building Code

Site Improvements

Developers of residential subdivisions in Azusa are required to construct streets, curbs, gutters, sidewalks, sewers, water lines, street lighting and trees in the public right-of-way within and adjacent to a subdivision. These facilities are then dedicated to the City, which is responsible for maintenance.

Fees

Various fees are charged by the City of Azusa to cover the cost of permit processing, environmental review, inspections, and the delivery of such services as water and sewers. Azusa's fees are relatively low and do not place extensive or unreasonable constraints on the housing market. Exhibit 5 lists the City's fees and those of neighboring jurisdictions; Azusa's fees are considerably lower than those of surrounding cities.

Processing and Permit Procedures

Processing time is fairly rapid in Azusa; for example, a general plan amendment can be processed in two to six months. Zone changes and EIRs are usually processed in three months. A tentative tract map takes two months to process while a tentative parcel map iis processed in one month.

Building Codes

Azusa has adopted the Uniform Building Code. The City does not impose any housing standards greater than those contained in the Uniform Building Code. Therefore, Azusa cannot reduce construction costs by revising its building code, as some cities with stricter standards are able to do.

EXHIBIT 5
COMPARISON OF DEVELOPMENT FEES -- 1990

Type of Fee	Azusa	Covina	Duarte	Glendora
General Plan Amendment	$800	$2,750	$1,000	$1,000
Zone Change	$800	$1,850	$875	$1,000
Conditional Use Permit	$350	$1,150	$450	$500
Variance	$350	$1,100	$450	$500
Tentative Tract Map	$500	$1,000+ $35/lot	$500+ $60/lot - $60 Flood Control	$1,000+ $100/lot
Tentative Parcel Map	$500	$1,000+ $35/lot	$500+ $10/lot - $30 Flood Rpt.	$1,000
Environmental Assessment (Initial Study)	$150	$200	No Charge	$150
Site Plan Review (Staff)	$50	$200	No Charge	$10

Source: Telephone Survey (December 1990) by Castañeda & Associates.

ANALYSIS OF NONGOVERNMENTAL CONSTRAINTS

Introduction

Potential nongovernmental constraints cited in the planning law include land costs, construction costs, and the availability of financing. Although only three factors are cited, the intent of the nongovernmental constraints analysis is to acquire an understanding of the private market forces establishing the price and rent distribution of both the existing and new housing supply. These distributions, in turn, can be examined in light of the City's income distribution to determine the cost of housing in relation to ability-to-pay. The data also can be analyzed to determine whether governmental constraints should be mitigated to broaden housing opportunities.

Existing Housing Supply

Most of the community's housing needs must be met by the existing stock of housing. The new housing added yearly amounts to only a small percentage of the standing stock. The rental housing assistance needs, for example, can be best satisfied through the existing supply which has a lower rent distribution than the new apartment housing. Likewise, the need for new rental housing could be partially met by turnover in the existing housing supply.

General Housing Characteristics

As of January 1989 the City had a total supply of approximately 13,124 housing units. The distribution of housing types is shown in Table 11. In 1980, 52% of the supply was owner-occupied and 48% was renter occupied. This indicates that a significant proportion of the single family dwellings are renter-occupied. Another 30% of the 1-unit attached structures were renter-occupied.

TABLE 11
CITY OF AZUSA: OWNER-RENTER DISTRIBUTION
BY HOUSING TYPE — 1980

Housing Type	Owner Occupied	%	Renter Occupied	%	All Occupied Housing Units
1-unit Detached	3,930	76.7%	1,192	23.3%	5,122
1-unit Attached	467	70.1	199	29.9	666
2-units	47	30.1	109	69.9	156
3 & 4 units	278	29.7	658	70.3	936
5 or more units	148	5.4	2,587	94.6	2,735
Mobile Homes	264	67.9	125	32.1	389
Totals:	**5,134**	**51.3**	**4,870**	**48.7**	**10,004**

Source: SCAG Census Data Center, Report 302 — Housing Characteristics. Table construction by Castañeda & Associates.

The percentage of vacant units in 1980 was 4.6%.. Most of the City's vacant housing (60% of the total) was found in Census Tracts #4006 and #4042. As of January 1989, there were an estimated 310 vacant units representing a percentage of 2.36%.

Owner-Occupied Housing

Home prices have continuously increased in the past decade. Most owner-housing in Azusa is obtained in the resale market. According to local realtors, the mid-price single-family resale dwelling is $130,000 to $140,000. The average prices of condominiums range from $65,000 to $130,000.

Renter-Occupied Housing

In 1980, 49% of the existing housing supply was renter-occupied. In three census tracts the majority of housing was renter-occupied. The median rents ranged by 90% in the eight census tracts, from a low of $196 in tract #4045 to a high of $274 in tract #4040. The median rent for the entire City was $244.

In February 1990, the apartment housing costs were updated. The survey found that nearly two-thirds of the apartment stock rented for more than $550 per month. The City's median rent has more than doubled since 1980.

TABLE 12
CITY OF AZUSA: ESTIMATED GROSS RENT DISTRIBUTION — 1990

Monthly Rent	Studio	1 bdrm	2 bdrm	Total	Percentage Distribution
$350-$449	31	147	–	178	9.3%
$450-$549	34	494	8	536	27.9%
$550-$649	24	214	145	383	20.0%
$650-$749	–	167	292	459	23.9%
$750-$849	–	–	300	300	15.6%
$850 +	–	–	64	64	3.3%
	89	1,022	809	1,920	100.0%

Source: Apartment housing survey conducted by Castañeda & Associates, February 1990.

Other potential constraints on addressing housing needs include the owner/renter distribution among older housing units and length of residency in the City. Sub-standard housing in the City is probably occupied by a large proportion of renter households. One indication of this phenomenon is the age of housing by owner/renter status. For example, almost 45% of the housing supply that is 40 years or older is renter-occupied. To the extent that such households are inclined to move more frequently, they will have diminished interest in assuming a larger burden for housing improvement costs.

Another potential constraint is the length of residency in the City. The largest concentration of housing assistance needs is among renter households. Yet, these households appear to move more often and reside in the City for a short duration. For instance, Table 13 indicates that more than 50% of all renter households have lived in the City for less than one year. Many of these households, if they intend to move, may be confronting excessive housing costs only on a temporary basis or be disinterested in housing assistance due to moving plans.

TABLE 13
CITY OF AZUSA: LENGTH OF RESIDENCE BY RENTER AND OWNER STATUS — 1980

Years Lived in Unit	Owner Households	Percentage Distribution	Renter Households	Percentage Distribution
1	650	12.7%	2,600	53.4%
2-5	1,461	28.5	1,463	30.0
6-10	769	15.0	481	9.9
11-20	1,189	23.1	218	4.5
21-30	714	13.9	56	1.1
30 yrs +	351	6.8	52	1.1
Totals:	**5,134**	**100.0**	**4,870**	**100.0**

Source: SCAG Census Data Center, Report 302, Housing Characteristics. Table construction by Castañeda & Associates.

Land Costs

Vacant land in Azusa, as in other nearby communities, is rare. Most of the future new construction will happen in areas where private developers have consolidated single family lots or annexed land to construct multi-family housing. The density yield will make the task of lot consolidation and acquisition practical. Under these circumstances, the price of single family housing in transition neighborhoods is one indicator of future land costs. There is limited limited infill vacant land available for residential development in the City. Discussions with local realtors indicated that single family lots (50' x 140') have sold for an average of $80,000 to $90,000. Vacant, infill R-2 lots have sold for an average of $100,000 to $110,000.

Construction Costs

These costs will vary as a function of house size, amenities and general quality. Over time, cost increases are expected since there are periodic rises in both labor and material costs. The best long-term indicator of construction costs — for both single family and apartment housing — is the Marshall and Swift Publishing Company which monitors such costs on a quarterly basis.

Since 1975 the construction costs of the same single family home has increased from $29,302 to $67,700. The periodic construction cost increases are shown on Table 14. Local realtors indicated that construction costs for single-family homes is $53 - $55 per square foot for mid-priced homes.

TABLE 14
SINGLE FAMILY RESIDENCE * CONSTRUCTION COSTS
1975 TO 1989

	Total Cost	Square Foot Cost	Index
1975	$29,302	$18.66	100.0
1980	$50,497	$32.16	172.3
1981	$53,487	$34.07	182.5
1982	$55,483	$35.34	189.3
1983	$57,450	$36.59	196.1
1984	$62,100	$39.55	211.9
1985	$64,800	$41.27	221.1
1986	$66,000	$42.04	225.2
1987	$66,700	$42.48	227.6
1988	$68,100	$43.40	232.5
1989**	$67,700	$43.14	231.1

Source: Marshall and Swift Company
Table construction by Castañeda & Associates.

* A theoretical single-family residence is used for the Los Angeles area residence construction cost trend information. An average quality, one-story, three-bedroom, two-bath, wood frame single-family residence with an attached two-car garage. The size is 1,570 square feet for the home and 447 square feet for the garage.

** As of January in each year.

Construction costs of apartment housing also have been monitored by the same data source. These costs have been monitored for a low-rise apartment building containing 28 one-bedroom units and two two-bedroom units plus a laundry room and small lobby. The periodic construction cost increases are shown in Table 15 below.

TABLE 15
APARTMENT CONSTRUCTION COSTS: 1975 TO 1989

	Low Rise Building*		
	Total Cost	Sq. Foot Cost	Index
1975			100.0
1980	$641,000	$26.71	172.1
1981	$681,047	$28.38	182.8
1982	$707,472	$29.48	189.9
1983	$732,500	$30.52	196.6
1984	$789,800	$32.91	212.0
1985	$824,300	$34.35	221.3
1986	$840,100	$35.00	225.5
1987	$847,900	$35.33	227.6
1988	$865,700	$36.07	232.4
1989	$860,500	$35.85	231.0

Source: Marshall and Swift Company
Table construction by Castañeda & Associates

* A three-story hypothetical frame and stucco apartment house, rectangular in area, 64' x 125', with 28 one and two bedroom units, laundry room, and small lobby. Costs do not include elevator, garages, or site improvements. Structure is of average construction and finished with carpeting in halls and living areas and vinyl asbestos tile in kitchens and baths. The heating is from electric cable in the ceiling. All interior finish is 1/2" gypsum board, taped and painted. Floor structures are 1-1/2" foamed concrete on 5/8" plywood and wood joists. Roof is three-ply, hot mopped, with gravel surface. Cooling is handled by three-quarter and one ton through-wall units.

Construction costs have increased dramatically over the past decade. The existence of reasonable land costs in Azusa coupled with a market for attached housing serves to mitigate the impact of continuous construction cost increases experienced since 1970. For example, interviews with local builders indicate that construction costs range from $55 - $58 per square foot for hard construction.

Availability of Financing

According to the State Department of Housing and Community Development, this topic includes an analysis of whether financing is generally available, whether interest rates are significantly different from surrounding areas, and whether there are underserved groups in the community for new construction or rehabilitation. Several actions by the City are directed at supplementing private sector financing in new, existing and rehabilitated housing.

City actions are assisting in making available below market financing in the new housing supply. These actions have included mortgage revenue bond financing. The City applied and obtained $22 million for such financing and facilitated the sale of about 100 condominium units. In addition, the City provides rehabilitation grants and loans in target areas and neighborhoods. Thus, there is a variety of public and private resources to meet the community needs in a variety of neighborhoods.

Inventory of Land Suitable for Residential Development

Introduction

Under present law, a housing element must include the following:

> An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites. (Section 65583 (a)(3)).

Vacant Land Inventory

At the present time, there is a potential for 1,790 housing units to be constructed on residential land within the City and Sphere of Influence. The vacant land is summarized below:

Housing Type	General Location	Number of Housing Units
Single Family	Covell	1,000 dus
Single Family	Rezone (Monrovia Nursery)	130 dus
Single Family	Sphere of Influence	350 dus
Multi-Family	Foothill/Alosta	150 dus
Multi-Family	Sphere of Influence	160 dus
		1,790 dus

Affordable housing opportunities will be available primarily on infill lots, commercial areas that may transition to residential, and on larger, vacant parcels that would be annexed to the City.

Summary of Constraints and Resources

This section has examined the following potential governmental constraints: land use controls; site improvements; fees; local processing and permit procedures; and building codes. The analysis has shown that these factors do not impose constraints on the range and diversity of housing types or on the minimum housing production costs.

With respect to nongovernmental constraints, the major factors relate to the increases in the prices and rents of the existing housing supply and rising land values and construction costs for new housing. It is unlikely that these constraints will diminish and consumers must experience either higher income gains or obtain some form of financial assistance.

Azusa has enough land to address the housing needs projected over the next five years, including vacant infill lots, recycling trends and other land suitable for residential development.

IV.
PROGRESS REPORT

BACKGROUND

Section 65588(a) provides that each local government shall review its housing element as frequently as appropriate to evaluate the following:

(1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

(2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.

(3) The progress of the city in implementation of the housing element.

Such an evaluation would focus on the following:

(a) "Effectiveness of the element" (Section 65588(a)(2)): A comparison of the actual results of the earlier element with its goals, objectiveness, policies and programs. The results should be quantified where possible (e.g., rehabilitation results), but may be qualitative where necessary (e.g., mitigation of government constraints).

(b) "Progress in implementation" (Section 65583(a)(3)): An analysis of the significant differences between what was projected or planned in the earlier element and what was achieved.

(C) "Appropriateness of goals, objectives and policies" (Section 65588(a)(1)): A description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the prior element.

The statute requires periodic review of the housing element in order to determine whether a revision is required prior to the five year revision requirement. If the locality determines that one or more of the following conditions exist, it would be appropriate to determine the need for a revision.

1) The stated housing goals, objectives and policies are not effective in providing housing for the existing and projected needs of all economic segments of the community.

2) Housing units are not being produced in adequate numbers and at the necessary price levels to achieve the stated housing goals and quantified objectives.

3) The implementation of one or more components of the housing programs has failed to proceed in accordance with the five-year schedule of actions, and thus the quantified housing objectives are not being met.

4) If housing needs data and assessment, including census figures, resources and constraints, community goals and policies, or the housing program, including the availability of government financial assistance, have changed significantly enough to warrant a revision.

EXHIBIT 6
CITY OF AZUSA: PROGRESS REPORT ON PREVIOUS FIVE-YEAR HOUSING PROGRAM

PROGRAM CATEGORY/DESCRIPTION	QUANTITATIVE OBJECTIVES	LEVEL OF ACHIEVEMENT
Conserve & Improve Existing Housing		
1. Structural Conservation & Rehabilitation		
A. Housing Condition Information System	• Survey condition of the housing stock in the City	Accomplished
B. ESG Handyman Program	• Minor repairs to existing dwelling. — $42,000	18-20 dus per year repaired
C. CDBG Rehabilitation Grant Program	• Achieve improvement of 50 housing units over the next five years through the provision of rehabilitation grants	Not fully accomplished CDBG will be replaced
D. CDBG Rehabilitation Loan Program	• Achieve improvement of 50 housing units over the next fiveyears through the implementaion of low interest loans	Not fully accomplished; CDBG will be replaced
E. Replacement Housing Program	• Achieve replacement of 26 housing units which are beyond repair	Accomplished
2. Affordability Conservation		
A. Condominium Conversion Ordinance	• Implement Ordinance No. 2095 which regulates and controls condominium conversions	Continuous Implementation
B. Assisted Housing Development	• More than 200 lower-income households are provided financial assistance in four Section 8 already completed development + scattered sites	Continuous Implementation

PROGRAM CATEGORY/DESCRIPTION	QUANTITATIVE OBJECTIVES	LEVEL OF ACHIEVEMENT
Assist in Low/ Moderate Income Housing Development		
1. Federal & State Subsidy Program		
A. State Revenue Bond Program	• Provide assistance to at least 100 moderate-income first-time buyers	Accomplished
	• Provide assistance to 80 moderate-income renters or first-time buyers	Accomplished
2. Local Incentives		
A. Low/Moderate Income Housing Fund (20% set-aside)	• Provide assistance in either housing rehabilitation or new construction (# of units is undetermined at this time)	Not yet achieved, will be a part of new "Expanded Rehabilitation Program"
B. Accelerated Development Processing/Fee Waivers	• Continue policy of permit waivers and reduction of development fees for affordable housing developments	Ongoing Implementation
Provision of Adequate Housing Sites		
1. Potential Housing capacity		
A. Land Use Element	• Refer to narrative explanation for detailed description.	Continuous Implementation
B. Zoning Code	• Refer to narrative explanation for detailed description.	Continuous Implementation
2. Variety of Housing Types		
A. Land Use Element	• Refer to narrative explanation for detailed description.	Ongoing Implementation
B. Zoning Code	• Refer to narrative explanation for detailed description.	Ongoing Implementation

PROGRAM CATEGORY/DESCRIPTION	QUANTITATIVE OBJECTIVES	LEVEL OF ACHIEVEMENT
C. Mobile Homes — SB1960; Ordinance 2112	• Ordinance adopted to implement SB1960 to provide for mobile homes in single-family residential zones	Continuous Implementation
D. Granny Flat Ordinance	• Refer to narrative explanation for detailed description.	Ongoing Implementation
Removal of Governmental Constraints		
1. Article 34		
A. Voter approved Article 34 for low-rent senior citizens housing	• Permits the development of low rent housing for senior citizens (1760-yes; 513 no)	Permits future development
2. Infrastructure		
3. Fees		
A. Fee Waivers	• Refer to previous description.	Implemented
4. Processing		
A. Accelerated Development Processing	• Refer to previous description.	Implemented
B. Amendment to avoid imposition of 2-car garage when housing units are rehabilitated	• Facilitate rehabilitation of older housing stock with one-car garage	Minor deviation process in place
5. Permits	• Refer to previous description.	Implemented
Promote Equal Housing Opportunity		
1. Fair Housing Support		
A. Implement Housing Element policies — refer to narrative explanation.	None Stated	Ongoing Implementation
2. Discrimination Complaints		
A. Implement Housing Element policies — refer to narrative explanation.	None Stated	Ongoing Implementation

EFFECTIVENESS OF THE PREVIOUS ELEMENT

As summarized on Exhibit 6, the previous Housing Element has established a positive framework for creating results with regard to both existing and new housing. The replacement and rehabilitation objectives were attained or exceeded. The CDBG Rehabilitation Program will be redesigned to target resources to the most needy blocks and neighborhoods. The condominium conversion ordinance was implemented on an on-going basis and no conversions were applied for and/or granted.

With regard to new construction, 83 second units were constructed. It is estimated that during the life of the previous element, 215 affordable housing units were constructed (this total includes second units). One residential project with 132 housing units obtained accelerated development processing and fee waivers during the past five years. Thus far, the 20% set-aside fund has not been used to facilitate the rehabilitation or development of affordable housing.

PROGRESS IN IMPLEMENTATION

Almost all the planned objectives and actions were achieved during the life of the previous element. Therefore, there are no significant differences between what was planned and actually achieved. As a consequence of preparing the "progress report", the following shortfalls have been noted and addressed by the new program:

- √ A need to redesign the rehabilitation program to encourage greater participation by, in part, establishing target areas.
- √ Plan for use of the 20% Set-Aside funds as they become available in the future.

APPROPRIATENESS OF GOALS, OBJECTIVES AND POLICIES

Azusa is almost entirely built-out with a significant proportion of the total stock affordable to a large segment of the population. Thus, the City's previous goals, objectives and policies which place emphasis on housing conservation and improvement should be continued. The City's goals and policies currently and in the future will address the State's five major housing goals. The City's new housing program will need to incorporate other new programs enacted since the previous Housing Element was adopted such as the Residential Rental Inspection Program and Real Property Records Report.

V.
GOALS, OBJECTIVES, POLICIES

INTRODUCTION AND BACKGROUND

This section presents the goals, objectives and policies of the Azusa Housing Element. The purpose of this section is to establish general and specific guidelines for City actions and to meet the following requirement of State law:

> A statement of community goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing.

GOALS AND OBJECTIVES

Goals

The City of Azusa supports and endorses the State housing goal "...of a decent home and a satisfying environment for every Californian..." In addition, the City supports and endorses the five goals incorporated in present State law pertaining to the manner in which the actions of the City of Azusa must be directed so that there is adequate provision for the housing needs of all economic segments. These are summarized below:

1. Conserve and improve the condition of the existing affordable housing stock.

2. Assist in the development of adequate housing to meet the needs of low- and moderate-income households.

3. Identify adequate housing sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income groups.

4. Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

5. Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color.

According to the General Plan, the following represent community-wide land use and housing goals.

1. Encourage the maintenance and conservation of existing single family homes and the preservation of existing low-density neighborhoods throughout the community.

2. Provide for a well balanced variety of housing arrangements, opportunities and densities, each appropriately located with references to topography, traffic circulation, community facilities, and aesthetic considerations.

3. Ensure the development of school, park and other necessary public facilities well related to residential neighborhoods.

4. Encourage only additional residential development that is necessary to replace older deteriorated housing stock and to provide for the natural increase in population, but not to encourage higher densities that stimulate population growth.

5. Encourage the assemblage of small lots into larger parcels to maximize land use efficiency in areas permitting higher densities.

In addition, general housing-related objectives have been included in other elements of the General Plan. These are presented in the list below:

Objectives-General

1. To encourage programs or citizens efforts that are directed toward neighborhood or community beautification and improvement.

2. To encourage a full range of public improvements and services to all residential neighborhoods.

3. To encourage a continuing program of community preservation and rehabilitation.

4. To provide for a distribution of population through the use of a variety of densities and housing types throughout the City in order to avoid undesirable and inefficient concentrations of the population in any one location of the community.

5. To encourage the development of residences for all economic segments of the City and to also encourage the ownership of these units in order to increase neighborhood stability.

6. To ensure that all residential development proposals include an adequate and detailed analysis of the impact on the entire community and of the community's ability to sustain it, in terms of provision of such factors as adequate access, off-street parking, reasonable demands on utilities and public facilities, and others that might affect residential or community quality.

7. To ensure that all new development is compatible with the Circulation Element and existing street system and that the system will adequately handle the expected traffic increase.

Objectives - Quantified

Quantified objectives relating to the maintenance, improvement, and development of housing must be included in a housing element. The State law does recognize that local communities may be unable to meet the entire need due to resource constraints and other factors. The pertinent section of the law is as follows:

> It is recognized that the total housing needs ... may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements ... Under these circumstances, the quantified objectives need not be identical to the identified existing housing needs, but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five-year time frame. (emphasis added)

Azusa's quantified objectives include the following:

- To conserve affordable housing existing in the apartment rental market and dwellings in mobile home parks (N=389).
- To achieve the rehabilitation of 100 housing units during the time frame of mid-1989 through mid-1994.
- To meet the rental housing assistance in existing housing units of 20 lower income households during the next five years.
- To meet the owner housing assistance needs of first time buyers of moderate income in 100 newly constructed housing units.
- To achieve the production of 80 new rental housing units within the financial means of low- and moderate-income households.

The City's total new construction objective is 768 housing units which is the aggregate of:

√ 568 market rate units

√ 200 housing units for low and moderate income households

This planned production level is less than the need projected by SCAG. The production of the 200 non-market housing units is based on an optimistic but achievable level of new construction based on the availability of State and Federal resources. The market-rate production of 568 is practical, although achievement may be constrained by the current lack of construction and permanent financing.

City policies relating to "conserving and improving the existing housing stock" include the following:

- Promote the rehabilitation of substandard and deteriorating housing.
- Encourage the maintenance and repair of existing housing to prevent deterioration of housing in the City.
- Promote efforts to remove substandard units which cannot be rehabilitated.
- Insure an adequate level of community facilities and municipal services in all community areas.
- Promote low interest rehabilitation loan programs.

City policies pertaining to "affordability conservation" include the following:

- Use Federal, State, and local funding to provide and subsidize low-cost housing.
- Discourage the conversion of existing apartment units to condominiums where such conversion will diminish the supply of low and moderate income rental housing.
- Encourage the conservation of affordable housing in mobile home parks.

With respect to "assisting in the development of low and moderate income housing," the City has established the following policies.

- Undertake economically feasible programs to provide housing for low and moderate income households.
- Continue and expand the participation of Federal and State agencies in housing assistance programs.
- Provide adequate personnel resources to carry out the housing programs.

Policies concerning the "provision of adequate housing sites" encompass the following:

- Locate residential uses in reasonable proximity to commercial areas and transportation routes for accessibility to services.
- Utilize the following criteria for potential sites for low and moderate income housing. Sites should:
  - Have access to public transportation, schools, parks and recreational facilities, shopping and employment areas.
  - Be adequately served by public facilities, services and facilities.
  - Be minimally impacted by noise, blight, seismic hazards or flood hazards.
  - Be compatible with existing and planned land uses.
- To the extent possible, plan for residential land uses which accommodate anticipated growth from new employment opportunities.
- Promote a housing stock that varies sufficiently in cost and type, and is situated in a variety of locations to most adequately meet the economic, social, and mobility needs of all residents.

Existing policy concerning the "removing of governmental constraints" includes the following:

- Continue the minor deviation process in the rehabilitation of dwellings with a one-car garge.
- Provide streamlined City permit processing procedures.
- Continue special purpose studies of ways to reduce the time and cost involved in the rehabilitation and construction of housing.

With regard to "promoting equal housing opportunity," the following represent City policies:

- Promote equal housing opportunity throughout the City.
- Promote housing which meets the special needs of large families, minorities, elderly, handicapped, and single parent households with children.
- Promote greater awareness of tenant and landlord rights.

VI.
HOUSING PROGRAM

INTRODUCTION AND BACKGROUND

According to Section 65583 (c), a housing element must contain:

> A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate Federal and State financing and subsidy programs when available.

Actions included in the housing program must address five specific areas, as listed below:

- Conserving the existing stock of affordable housing
- Assisting in the development of affordable housing
- Providing adequate sites to achieve a variety and diversity of housing
- Removing governmental constraints as necessary
- Promoting equal housing opportunity

Azusa's Housing Program for addressing unmet needs, removing constraints, and achieving quantitative objectives is described in this section according to the foregoing categories. The program actions are scheduled for implementation during the period of mid-year 1989 to mid-year 1994.

CITY OF AZUSA: HOUSING PROGRAM DESCRIPTION
MID-1989 TO MID-1994

PROGRAM CATEGORY	PROGRAM DESCRIPTION	QUANTATIVE OBJECTIVES	FUNDING	AGENCY RESPONSIBLE	CONSISTENCY WITH COMM. GOALS
Conserve & Improve Existing Housing					
1. Structural Conservation & Rehabilitation	A. Housing Condition Information System	√ Update survey condition of the housing stock in the City.	√ General Fund √ Community Development Block Grant Program.	√ Planning & Community Development Department.	√ Achieves policy and goals established in the 1980 Housing Element.
	B. Rental Inspection Program	√ Inspect each rental property annually.	√ General Fund	√ Building Department	√ Consistent with City's housing quality goals.
	C. Real Property Records Report	√ Provide data at time of ownership transfer.	√ General Fund	√ Building Department	√ Same as above.
	D. ESG Handyman Program	√ Minor repairs to existing dwellings -- 18 to 20 per year.	√ Community Development Block Grant Program -- $42,000.	√ East San Gabriel Consortium.	√ Consistent with the City's housing quality goals.
	E. CDBG Rehabilitation Grant Program	√ Achieve improvement of 50 housing units over the next five years through the provision of rehabilitation grants	√ Community Development Block Grant Program. √ $200,000 of current funding + continuing program income + future allocations.	√ Planning & Community Development Department.	√ Consistent with goals expressed in Land Use Element and Housing Assistance Plan.
	F. CDBG Rehabilitation Loan Program	√ Achieve improvement of 50 housing units over the next five years through the implementation of low interest loans.	√ Same funding source as "C" above.	√ Planning & Community Development Department.	√ Consistent with goals stated in Land Use Element and Housing Assistance Plan.
	G. Replacement Housing Program	√ Achieve replacement of 25 housing units which are beyond repair.	√ General Fund	√ Building Department √ Planning & Community Development Department.	√ Consistent with General Plan goals of achieving a housing stock free of adverse conditions (i.e., "Promote efforts to remove substandard units

CITY OF AZUSA: HOUSING PROGRAM DESCRIPTION
MID-1989 TO MID-1994

PROGRAM CATEGORY	PROGRAM DESCRIPTION	QUANTATIVE OBJECTIVES	FUNDING	AGENCY RESPONSIBLE	CONSISTENCY WITH COMM. GOALS
2. Affordability Conservation	A. Condominium Conversion Ordinance	√ Implement Ordinance No. 2095 which regulates and controls condominium conversions.	√ General Fund	√ Planning & Community Development Department.	√ Consistent with the General Plan policy: "Discourage the conversion of existing apartment units to condominiums where such conversion will diminish the supply of low and moderate income rental housing."
	B. Assisted Housing Development	√ More than 200 lower-income households are provided financial assistance in four Section 8 already completed development + scattered sites.	√ Section 8 existing housing assistance payments program.	√ U.S. Department of Housing & Urban Development. √ Housing Authority of the County of Los Angeles.	√ Consistent with Housing Assistance Plan
Assist in Low/Moderate Income Housing Development					
1. Federal & State Subsidy Programs	A. State Revenue Bond Program.	√ Provide assistance to at least 100 moderate-income first-time buyers.	√ Revenue Bonds	√ Planning & Community Development Department.	√ Consistent with General Plan obejctive: "To encourage the development of residences for all economic segments of the City..."
2. Local Incentives	A. Low/Moderate Income Housing Fund (20% set-aside)	√ Provide assistance in either housing rehabilitation or new construction (# of units is undetermined at this time).	√ Funding as available in future.	√ Redevelopment Agency √ Planning & Community Development Department	√ Consistent with following General Plan goal: "Undertake economically feasible programs to provide housing for low and moderate income households".

CITY OF AZUSA: HOUSING PROGRAM DESCRIPTION
MID-1989 TO MID-1994

PROGRAM CATEGORY	PROGRAM DESCRIPTION	QUANTATIVE OBJECTIVES	FUNDING	AGENCY RESPONSIBLE	CONSISTENCY WITH COMM. GOALS
3. Fees	A. Fee Waivers	√ Refer to previous description.			
4. Processing	A. Accelerated Development Processing	√ Refer to previous description.			
	B. Amendement to avoid imposition of 2-car garage when housing units are rehabilitated.	√ Facilitate rehabilitation of older housing stock with one-car garage.	√ General Fund	√ Planning & Community Development Department.	√ Consistent with community goals for preserving housing and neighborhoods.
5. Permits		√ Refer to previous description.			
Promote Equal Housing Opportunity					
1. Fair Housing Support	A. Implement Housing Element policies -- refer to narrative explanation.				
2. Discrimination Complaints	A. Implement Housing Element policies -- refer to narrative explanation.				

CITY OF AZUSA: HOUSING PROGRAM DESCRIPTION
MID-1989 TO MID-1994

PROGRAM CATEGORY	PROGRAM DESCRIPTION	QUANTATIVE OBJECTIVES	FUNDING	AGENCY RESPONSIBLE	CONSISTENCY WITH COMM. GOALS
	B. Accelerated Development Processing/Fee Waiver	√ Continue policy of permit waivers and reduction of development fees for affordable housing developments.	√ General Fund.	√ Planning & Community Development Department.	√ Consistent with actions programs suggested in previous Housing Element.
	C. Density Bonus Ordinance/ Policy	√ Complete ordinance/policy 12 months after a Housing Element adoption.	√ General Fund.	√ Planning & Community Development Dept.	√ Consistent with State Laws and 5-year housing programs.
Provision of Adequate Housing Sites					
1. Potential Housing Capacity	A. Land Use Element	√ Refer to narrative explanation for detailed description.			
	B. Zoning Code	√ Refer to narrative explanation for detailed description.			
2. Variety of Housing Types	A. Land Use Element	√ Refer to narrative explanation for detailed description.			
	B. Zoning Code	√ Refer to narrative explanation for detailed description.			
	C. Mobile Homes -- SB1960; Ordinance 2112	√ Ordinance adopted to implement SB1960 to provide for mobile homes in single-family residential zones.	√ General Fund.	√ Planning & Community Development Department.	√ Consistent with the following General Plan policy: "Promote a housing stock that varies sufficiently in cost and type..."
	D. Granny Flat Ordinance	√ Refer to narrative explanation for detailed description.			
Removal of Governmental Constraints					
1. Article 34	A. Voter approved Article 34 for low-rent senior citizens housing.	√ Permits the development of low rent housing for senior citizens (1760-yes; 513-no).			
2. Infrastructure					

CONSERVING EXISTING AFFORDABLE HOUSING

Under Article 10.6 of the State Planning and Zoning Law, the housing program of a local housing element must include actions which:

> Conserve and improve the condition of the existing affordable housing stock.

These actions relate to: 1) improving the condition of housing through structural conservation or rehabilitation and 2) conserving the current supply of affordable housing. The current and future actions of the City which result in conserving existing affordable housing include the following:

- Housing Condition Information System
- Residential Rental Inspection
- Real Property Records Report
- East San Gabriel Handyman Program
- Replacement Housing Program
- Condominium Conversion Ordinance
- Assisted Housing Development

Housing Condition Information System

One of the actions included in the 1981 Housing Element was to "Create and maintain a housing conditions file to monitor housing conditions in the City in order to identify the need to expand existing program." This information on the condition of housing was collected during the 1984 update to establish a comprehensive data base and pinpoint target areas. The "housing condition information system" includes the following:

- Five categories of housing condition were sound, general improvement, minor repair, major repair, and beyond repair.
- Through a lot-by-lot field survey the condition of housing was observed and noted.
- Data on the condition of housing are recorded on parcel level maps with the property address noted.

- Survey data were aggregated to the neighborhood level and cross-referenced to the housing information provided by the (Federal) Neighborhood Statistics Program.

The "housing condition information system" was used to establish target areas for the rehabilitation grant and loan programs. The data have been used to monitor housing quality changes at the block and neighborhood levels.

Residential Rental Inspection

The City implements a residential rental inspection program which requires that each rental property be inspected at least once annually for compliance with applicable sections of State and local codes relating to zoning, building, health and safety, and property maintenance. According to the programs: "where inspection reveals a violation, the property owner shall be provided with a written notice describing the violation, location and a reasonable time for compliance." This program then establishes procedures for correcting deficiencies identified through property inspection.

Real Property Records Report

This program is intended to provide information to buyers about property proposed for sale or transfer in order to adequately protect their interests in a sale or transfer. Prior to entering into an agreement of sale of any property, the owner or his authorized representative must obtain from the City a real property records report. That report will disclose zoning data, permitted occupancy and any special restrictions of use or development of record.

East San Gabriel Handyman Program

This program is implemented in the City of Azusa by the East San Gabriel consortium. It involves handyman services for residents of the City; a secondary purpose of the program is to increase job opportunities and to enhance labor skills. The City participates in this program through CDBG funding and has an annual allocation of $42,000. An estimated 18-20 housing units are improved annually through this program.

CDBG Rehabilitation Grant Program

This program is being re-designed in light of the findings from the housing condition survey. The program will assist both owners and renters; geographic areas to receive priority attention include the target neighborhoods. These neighborhoods were selected on the basis of the percentage of low and moderate income households and the severity of need. The grant program will be designed to address the needs of those neighborhoods with a high number of housing in need of general improvement and minor repair. Funding for the program is obtained from the CDBG program — current funding and continuing program income. The five-year objective for the grant program is 50 housing units.

CDBG Rehabilitation Loan Program

In addition to grants, the City's housing improvement activities also include a rehabilitation loan program. That program is in the process of being redesigned through the Community Development Block Grant Program. The loan program, as is the case for grant activities, will incorporate the assistance needs of both owners and renters. The level of resources on a per unit basis is anticipated to range between $4,000 and $17,000. The five-year objective for the loan program is 50 housing units.

Replacement Housing Program

This program is intended to result in the clearance of substandard housing that is too dilapidated to render rehabilitation feasible. Through the "housing condition information system" it was learned that there are an estimated 26 housing units beyond repair. The owners of these units can be notified to clear the dwellings through enforcement of various housing and building codes which regulate health, safety and structural conditions. Each year the City intends to select five structures in a condition of "beyond repair" for eventual clearance and replacement. The City's focus will be on the unoccupied or vacant structures so that relocation housing needs are minimized. In the event such needs do arise, the City intends to coordinate its efforts closely with the resources available from the Los Angeles County Housing Authority.

Condominium Conversion Ordinance

Condominium conversions impact both the supply and demand for housing. The completed conversions reduce the supply of rental housing units and thus decrease vacancy rates, thereby escalating pressures for increasing rents. The completed conversions also displace low and moderate income households who are unable to purchase a dwelling unit. These households, in turn, heighten the demand pressures on the remaining housing supply.

Because of the foregoing factors, the City Council adopted Ordinance No. 2095 to regulate and control condominium conversions. Among the purposes of the ordinance are the following:

- To establish criteria for the conversion of existing multiple-family rental housing to condominiums.
- To reduce the impact of such conversions on residents in rental housing who may be required to relocate due to the conversion of apartments to condominiums.
- To attempt to maintain a supply of rental housing for low and moderate income persons and families.

Applications for a condominium conversion, if approved, are subject to a Conditional Use Permit. Prior to approval, the Planning Commission conducts a public hearing to consider the impacts and testimony concerning a condominium conversion application.

Assisted Housing Development

To maintain affordable housing costs, the City in the past has supported assisted housing developments as well as rental assistance in the form of the Section 8 program. More than 200 lower income households are currently being assisted through these various programs. Through continued cooperation with the Housing Authority of the County of Los Angeles, the City of Azusa intends to increase the number of households whose affordable housing costs are conserved.

ASSIST IN LOW/MODERATE INCOME HOUSING DEVELOPMENT

This category of the 5-Year Housing Program is intended to identify current and future actions which comply with the following provision of State law:

> Assist in the development of adequate housing to meet the needs of low-and moderate-income households.

This provision of State law is complied with through two types of actions : 1) Federal and State housing subsidy programs and 2) local incentives. The specific programs are listed below:

- State Revenue Bond Program
- Low/Moderate Income Housing Fund
- Accelerated Development Processing/Fee Waiver

State Revenue Bond Program

This program provides below market interest rate financing and thereby facilitates the production of new housing within the means of moderate-income households.

Low/Moderate Income Housing Fund

Through the City's Redevelopment Programs and pursuant to State law, a Low- and Moderate-Income Housing Fund has been established. That fund is financed through 20% of the tax increment as new development occurs in the Redevelopment Project areas. This 20% set-aside revenue may be used in a variety of ways to meet housing needs, including land acquisition, housing assistance and other techniques. Thus far, the Agency has accumulated revenue in the fund and fully expects additional revenue as new development occurs. Following review of alternatives, and unmet needs, the City will utilize these funds to provide assistance in either housing stock rehabilitation or new construction. One program action that will receive priority attention is assistance for new affordable development on scattered vacant sites.

Accelerated Development Processing/Fee Waiver

One of the actions contained in the 1981 Housing Element was stated as follows:

> Investigate the feasibility of an amendment to the Municipal Code to permit waiver or reduction of development fees for affordable housing projects.

This action is implemented by the City on a project merit basis. It is implemented as a matter of policy and does not require an amendment to the Municipal Code.

Density Bonus Implementation Ordinance/Policy

Government Code Sections 65913.4, 65915 and 65917, relating to density bonus requirements, were amended in 1989 by Chapter 842. These amendments were effective from January 1 to March 26, 1990. Chapter 31 of the Statutes of 1990 repealed Section 65913.4, and amended Section 65915; this action was effective March 26, 1990. Government Code Section 65915 provides that a local government shall grant a density bonus of at least 25 percent, and an additional incentive, or financially equivalent incentive(s), to a developer of a housing development agreeing to construct at least:

a) 20% of the units for lower-income households; or
b) 10% of the units for very low-income households; or
c) 50% of the units for senior citizens.

Pursuant to the amendments, every jurisdiction must adopt an implementing ordinance, including a procedure for evaluating preliminary applications. The ordinance must or should include:

- Types of developer incentives to be provided.
- Procedures for modifying development and zoning standards.
- Program administration.
- Terms of affordability.
- Nature of binding agreements.

The implementing ordinance or policy will be prepared within 12 months of adoption of the updated Housing Element.

PROVISION OF ADEQUATE HOUSING SITES

In accordance with State law, the Housing Program also must contain actions which serve to accomplish the following:

> Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income groups.

The actions are presented in two classifications: 1) potential holding capacity to meet the five-year projected housing needs and 2) provision for a variety of housing types. The specific programs are listed below:

- Land Use Element
- Zoning Code
- Mobile Homes — SB 1960
- Granny Flat Ordinance

Land Use Element/Zoning Code

With respect to housing variety, the City has 11 residential zones, including one that allows, through a conditional use permit process, residential uses in conjunction with commercial development. The minimum dwelling unit sizes range from a low of 500 square feet (for a studio unit in the multi-family zones) to 1,800 square feet (in the single-family zones). There is, then, a wide variety of housing types and styles allowed pursuant to the Zoning Code.

To further enhance housing variety, the City has passed "mobile home" and "granny flat" ordinances. The mobile home ordinance allows the placement of mobile homes on permanent foundations in single-family zones. It is anticipated that mobile homes may be developed on some of the scattered vacant lots in the City. Another possibility is that the mobile homes could be developed in conjunction with the "replacement housing program," as described earlier.

The City, through Ordinance No. 2181, has passed a "Granny Flat" or "Second Unit" ordinance. According to the ordinance, a "second unit" is defined as:

> ...either a detached or attached dwelling unit which provides complete, independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel or parcels as the primary unit is situated.

Second units are permitted upon approval of a Conditional Use Permit and must meet minimum site development standards.

REMOVAL OF GOVERNMENTAL CONSTRAINTS

This requirement of a housing program is described below:

> Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement and development of housing.

Four factors are usually encompassed within the scope of governmental constraints:

- Article 34
- Infrastructure
- Fees
- Processing

The voters have approved an Article 34 referendum for low-rent senior citizens housing. Generally speaking, there is a scarcity of sites available for senior citizens housing. The City is coordinating with the developer of the site and will do so in the future with other developers to determine level of interest in using the authority granted by the Article 34 referendum.

Infrastructure, fees and processing/permit procedures do not impose constraints on meeting housing needs. The City is nearly built out and there is enough capacity to serve the needs on vacant and in-fill housing development.

One potential constraint to effective housing rehabilitation is the imposition of a two-car garage when dwellings are improved through City programs. Much of the older housing stock with improvement needs was developed to the then existing standard of a one-car garage. The imposition of a two-car garage standard impeded the rehabilitation of some housing in the past. For this reason, the City is considering an amendment to the code to relax this standard when the owners of housing with one-car garages apply for a rehabilitation grant or loan.

PROMOTE EQUAL HOUSING OPPORTUNITY

The fifth category of the 5-Year Housing Program deals with equal housing opportunity. Actions must be included in the program which address the following:

> Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.

The City of Azusa has adopted the following policies relating to equal housing opportunity:

- Promote equal housing opportunity throughout the City.
- Promote housing which meets the special needs of large families, minorities, elderly, handicapped, and single parent households with children.
- Promote greater awareness of tenant and landlord rights.

These are standing policies of the City. The City will complete the following actions relating to fair housing:

- √ Establish a procedure for referring any complaints received by city staff to the appropriate State and Federal authorities. The City Manager will coordinate an effort to inform City employees of fair housing laws.
- √ Complete a fair housing impediments analysis to identify and develop a course of action to eliminate any barriers to equal housing opportunities.